



## Be an Informed Investor

The Office of Financial and Insurance Services (OFIS) is responsible for the regulation of Blue Cross Blue Shield, Health Maintenance Organizations, banks, domestic insurance companies, credit unions, foreign insurance companies, investment advisors, securities broker-dealers, consumer finance lenders, insurance agents, and securities agents. OFIS is part of the Michigan Department of Labor & Economic Growth. The mission of OFIS is to provide excellent customer service and to effectively regulate the financial institutions, lending, insurance, and securities industries. In fulfilling our responsibilities in the oversight of the securities industry in Michigan, our goals include:

- Creating an effective regulatory strategy that will encourage business development in Michigan and fostering a cooperative relationship between business and state government.
- Initiating a comprehensive consumer education program designed to provide assistance to consumers and to alert the public to potential investment fraud schemes and consumer abuses in the securities industry.
- Ensuring that statutory protections afforded investors and consumers are not minimized and, if need be, take appropriate criminal, civil, or administrative actions necessary to pursue violations.
- Enforcing compliance with reporting and registration requirements designed to protect the consumer from fraudulent and unfair business practices.

OFIS is unable to recover lost money; therefore our strength lies in educating consumers and having information available to protect consumer interests.



## The Investor Bill of Rights

When you invest you have the right to:

1. Ask for and receive information from a firm about the work history and background of the person handling your account, as well as information about the firm itself.
2. Receive complete information about the risks, obligations, and costs of any investment before investing.
3. Receive recommendation consistent with our financial needs and objectives.
4. Receive a copy of all completed account forms and agreements.
5. Receive account statements that are accurate and understandable.
6. Understand the terms and conditions of the transactions you undertake.
7. Access your funds in a timely manner and receive information about any restrictions or limitations on this accessibility.
8. Discuss account problems with the branch manager or compliance department of the specific firm and receive prompt attention and fair consideration of your concerns.
9. Receive complete information about commissions, sales charges, maintenance, service charges, transaction or redemption fees, and penalties.
10. Contact your state or provincial securities agency in order to verify the employment and disciplinary history of a securities salesperson and the salesperson's firm; find out if the investment is registered to be sold; otherwise, file a complaint.



## Good Questions to Ask:

(post by a phone for easy access)

How did you get my name?

Where are you calling from?

What, exactly, is involved in this investment?

Will the money I invest be separate from the funds available to your business?

How much risk is involved?

What happens if I decide to sell later?

What is the financial goal of this investment?

Can you provide me with written proof of a good track record?

What compensation or commission can you receive from this sale?

Are you, your firm, and the security you are offering, all registered with the SEC and the Michigan Department of Labor & Economic Growth?

Can you send me a written explanation of your proposal?

Can we meet to discuss this further?

Would you explain this investment to my lawyer or accountant?

**Ask for clarification for any details of the investment that you don't understand. Remember, if you don't know the person on the other end of the telephone line, you may wish to hang up!**



## Important Numbers:

\$40 billion is lost each year on fraudulent investments. Less than 1% gets their money back. If you have questions regarding a possible investment, here are some important numbers you may want to keep on hand:

The National Association of Securities Dealers registers and monitors disciplinary action against investment firms, broker-dealers, and agents. They also assist with complaints.

1-800-289-9999

[www.nasdr.com](http://www.nasdr.com)

The U.S. Securities and Exchange Commission regulates the securities industry. The SEC can offer information on public stock issues and securities fraud. They can also verify registration of securities broker-dealers and investment advisors.

1-800-SEC-0330

[www.sec.gov](http://www.sec.gov)

The North American Securities Administrators Association is a private organization comprised of all the securities administrators in each state and several countries. They function solely to provide investor protection.

1-202-737-0900

[www.nasaa.org](http://www.nasaa.org)

The Council of Better Business Bureaus

1-703-276-0100

[www.bbb.org](http://www.bbb.org)

Michigan Better Business Bureaus:

Grand Rapids (1-800-684-3222) and

Southfield (1-800-644-9100) (open 24 hours)

Contact us to check on broker-dealers and investment advisor registrations:

1-877-999-6442 (toll free) or 1-517-241-6365

securities agents registrations:

1-877-999-6442 (toll free) or 1-517-241-6360

a security's status

1-877-999-6442 (toll free) or 1-517-241-6350

or visit our web site at

[www.michigan.gov/ofis](http://www.michigan.gov/ofis)